

Corporate governance

Corporate governance stands for the responsible management and control of companies aimed at creating value over the long term. It strengthens the confidence of investors, financial markets, business partners, financial agents, employees and the general public in the Company's management and supervision and represents an essential cornerstone of sustainable business success. The OVB Group's corporate governance and corporate culture comply with the statutory provisions and – with a few exceptions – the additional recommendations of the German Corporate Governance Code. Executive Board and Supervisory Board feel committed to corporate governance; all business divisions are guided by its principles. For us the emphasis is on values such as competence, transparency and sustainability.

In the following chapter, the Executive Board reports – also on behalf of the Supervisory Board – on corporate governance at OVB Holding AG in accordance with No. 3.10 of the German Corporate Governance Code. The chapter includes the statement on corporate governance pursuant to Section 289a HGB (Commercial Code) as well as the remuneration report pursuant to Section 314 (1) no. 6 HGB.

Statement on corporate governance

General management structure with three corporate bodies

In accordance with the statutory provisions for a German stock corporation, OVB Holding AG has a dual board system consisting of Executive Board and Supervisory Board. The third corporate body is the General Meeting of shareholders where the Company's shareholders participate in essential decisions regarding the Company. Executive Board and Supervisory Board work closely together for the benefit of the Company and maintain an intensive and open dialogue on a regular basis.

Direction and management – the Executive Board

The Executive Board of OVB Holding AG directs the Company and the Group managed by the Company on its own authority. The Executive Board assumes its management tasks including in particular corporate planning, the Group's

strategic orientation and its control and monitoring as well as the Group's financing as a corporate body composed of Executive Board members who share the overall responsibility for the Company's management. They work together as colleagues and inform each other constantly about the measures and transactions of relevance in their respective areas of responsibility. Overall responsibility of all Executive Board members notwithstanding, the individual Board members manage the areas of responsibility assigned to them on their own authority.

The Executive Board's work is defined in detail by the rules of procedure resolved by the Supervisory Board which also determines the topics that are subject to Executive Board decisions to be made in full session and other formalities for the Executive Board's resolutions. The assignment of the areas of responsibility to the individual members of the Executive Board derives from a distribution-of-business plan which is part of the rules of procedure.

The Executive Board consults the Supervisory Board on the Company's strategic orientation in detail and discusses the strategy and its implementation with the Supervisory Board at regular intervals. The Executive Board reports to the Supervisory Board on all aspects of relevance to the Company relating to business performance, assets and liabilities, financial position and profit/loss, planning and target achievement, risk position and risk management regularly, timely and comprehensively. Any deviations of the business performance from the scheduled plans and targets are discussed and explained within this framework. The Executive Board's regular and in-depth reports in the meetings of the Supervisory Board and the Audit Committee also include the subject of compliance, i.e. the measures for the observance of statutory provisions and in-house guidelines.

Certain Executive Board decisions of special importance require the approval of the Supervisory Board. Those cases are defined in the Executive Board's rules of procedure and relate to e.g. the acquisition of non-current assets or borrowing of financial loans that exceed a certain amount. The formation, acquisition, liquidation and disposal of investment companies require approval as well.

Executive Board resolutions are adopted in meetings held regularly – at least once a month – and chaired generally by the Chairman of the Executive Board. Furthermore, any Board member may call for the convening of a

meeting. If not required otherwise by law, the Executive Board decides by a simple majority of the votes cast. In case of a tie of votes, the Chairman has the casting vote.

Appointed members of the Executive Board of OVB Holding AG are at present:

Mario Freis

(born 1975, on the Executive Board since 2010, appointed until 31 December 2017)
CEO

Oskar Heitz

(born 1953, on the Executive Board since 2001, appointed until 31 December 2018)
CFO

Thomas Hücker

(born 1965, on the Executive Board since 2014, appointed until 31 December 2017)
COO

Supervision and advice to the Company's management – the Supervisory Board

The Supervisory Board supervises and advises the Executive Board, appoints its members and is directly involved in all decisions of essential relevance to the Company. The Supervisory Board also coordinates the Company's strategic orientation and routinely discusses the implementation of the business strategy with the Executive Board. The Chairman of the Supervisory Board aligns the corporate body's work and chairs its meetings. Maintaining constant exchange with the Executive Board, the Supervisory Board is always informed about the business policy, corporate planning and the strategy. The Supervisory Board also adopts or rather approves the separate and consolidated financial statements as well as the management report and the consolidated management report of OVB Holding AG based on its own examination in consideration of the reports provided by the auditor. Within the framework of its report to the Annual General Meeting, the Supervisory Board informs the shareholders about its work.

According to Section 10 (1) of the Articles of Association, the Supervisory Board consists of six members all of whom are elected by the General Meeting of shareholders.

The terms of the Supervisory Board members elected by the General Meeting expire as of the end of the Annual General Meeting in the year 2018 that will decide on the formal approval of the actions of the Executive Board and the Supervisory Board for financial year 2017.

The Supervisory Board has established two standing committees to support the Board's efficient performance of its tasks and a focused discussion of topics, providing assistance to the Board's work in full session: the Audit Committee and the Nomination and Remuneration Committee. Within their respective scope of responsibility, the committees prepare the resolutions of the Supervisory Board as well as the topics to be addressed in full session. In each following Supervisory Board meeting a report is given on the committees' work. Completing the rules of procedure of the Supervisory Board, there are separate rules of procedure for the Audit Committee and the Nomination and Remuneration Committee.

Audit Committee

In preparing topics and resolutions for the Supervisory Board, the four committee members particularly address the diligent examination of the separate and consolidated financial statements as well as of the management report and the consolidated management report. The Audit Committee also concerns itself with issues of financial accounting, risk management and compliance and it examines the required independence of the auditor before the audit assignment is commissioned. The committee determines the focal points of the audit together with the auditor and decides on the fee agreement with the auditor. The Audit Committee also discusses the quarterly and half-year financial reports with the Executive Board prior to their publication.

Nomination and Remuneration Committee

This committee, consisting of the Chairman of the Supervisory Board and one other member, prepares the body of work for the Supervisory Board's consideration in full session and suggests suitable candidates to the Supervisory Board for its election proposals to the General Meeting. It also concerns itself with the composition of the Executive Board and its succession planning as well as with issues relating to the remuneration of Executive Board members.

Working methods of the Supervisory Board in full session and in the committees

The Supervisory Board of OVB Holding AG fulfils its supervisory and advisory functions with special diligence. Even outside the framework of meetings, the Chairmen of Supervisory Board and Audit Committee maintain a regular exchange of information with the Executive Board. They report on relevant information in the following Supervisory Board or committee meeting at the latest.

The Supervisory Board regularly reviews its own efficiency. This is generally done by way of self-inspection by analysing the answers given by Supervisory Board members on a questionnaire. The analysis and the following discussion in the Supervisory Board meeting result in suggestions for the further improvement of its work, to be implemented in full session by the Supervisory Board and by the committees if applicable.

Each Supervisory Board member discloses any conflicts of interest resulting from his involvement to the Supervisory Board without delay. The Supervisory Board informs about any conflicts of interest and how they have been dealt with in its report to the General Meeting of shareholders.

The Supervisory Board of OVB Holding AG consists of the following members at present:

Michael Johnigk

(born 1953, on the Supervisory Board since 2001, elected until 2018)

Chairman of the Supervisory Board

Member of the Executive Boards of Deutscher Ring Krankenversicherungsverein a.G., Hamburg; SIGNAL Krankenversicherung a.G., Dortmund; IDUNA Vereinigte Lebensversicherung aG für Handwerk, Handel und Gewerbe, Hamburg; SIGNAL Unfallversicherung a.G., Dortmund; SIGNAL IDUNA Allgemeine Versicherung AG, Dortmund; SIGNAL IDUNA Holding AG, Dortmund

Dr. Thomas A. Lange

(born 1963, on the Supervisory Board since 2013, elected until 2018)

Deputy Chairman of the Supervisory Board

Chairman of the Executive Board of NATIONAL-BANK Essen

Markus Jost

(born 1961, on the Supervisory Board since 2013, elected until 2018)

Member of the Executive Boards of Basler Lebensversicherungs-AG, Hamburg; Basler Sachversicherungs-AG, Bad Homburg; Basler Sach Holding AG, Hamburg; Managing Director of Basler Saturn Management B.V. in its capacity as general partner of Basler Versicherung Beteiligungen B.V. & Co. KG, Hamburg

Wilfried Kempchen

(born 1944, on the Supervisory Board since 2012, elected until 2018)

Businessman (ret.), former CEO of OVB Holding AG

Winfried Spies

(born 1953, on the Supervisory Board since 2010, elected until 2018)

Graduate mathematician (ret.), former Chairman of the Executive Boards of Generali Versicherung AG, Munich; Generali Lebensversicherung AG, Munich; Generali Beteiligungs- und Verwaltungs AG, Munich (until 30 June 2015 respectively)

Dr. Alexander Tourneau

(born 1965, on the Supervisory Board since 3 June 2015, elected until 2018)

Member of the Executive Boards of Basler Lebensversicherungs-AG, Hamburg; Basler Sachversicherungs-AG, Bad Homburg; Basler Sach Holding AG, Hamburg; Managing Director of Basler Saturn Management B.V. in its capacity as general partner of Basler Versicherung Beteiligungen B.V. & Co. KG, Hamburg

An overview of the members of the Executive Board, the Supervisory Board and the Supervisory Board committees of OVB Holding AG in financial year 2015 as well as their memberships of comparable corporate bodies can be found in this report beginning on page 109.

Objectives for the composition of the Supervisory Board

The decision of the Supervisory Board on election proposals

to be made to the General Meeting of shareholders shall be oriented solely towards the Company's best interest. The deciding criteria are the respective candidates' individual expert knowledge and professional experience. This also applies for the independent financial expert within the meaning of Section 100 (5) AktG (Stock Corporation Act). In the interest of the Company, the Supervisory Board is particularly dependent on its members' specific knowledge and experience relating to the Company's business activity, the distributed products and the markets in which the subsidiaries operate. The Supervisory Board members' in-depth knowledge of the peculiarities of the insurance industry as well as of the market and the competition enable them to assume their statutory task of supervision efficiently and to be available to the Executive Board as competent partners and advisors with respect to the Company's strategic orientation and its future development.

Compliance with the Corporate Governance Code

Declaration of conformity 2015

Section 161 AktG (Stock Corporation Act) requires the executive board and the supervisory board of listed German stock corporations to declare at least once a year if and to what extent the German Corporate Governance Code was and is complied with and which of the Code's recommendations were or are not applied, and for what reason.

As of 27 March 2015, Executive Board and Supervisory Board of OVB Holding AG have released the following declaration of conformity with the recommendations of the Government Commission on the German Corporate Governance Code in its version of 24 June 2014, released in the Federal Gazette of 30 September 2014, pursuant to Section 161 (1) sentence 1 AktG:

Recommendations:

No. 3.8 GCGC (directors' & officers' (D&O) liability insurance)

OVB Holding AG has so far not provided for a deductible in the D&O liability insurance policy taken out for the members of the Supervisory Board. The members of the Supervisory Board attend to their duties responsibly and in the Company's best interest. In the opinion shared by Executive Board and Supervisory Board, a deductible is not an appropriate means of further improving the Board members' sense of responsibility.

No. 4.1.5 GCGC (consideration of diversity for executive positions)

According to the recommendations of the German Corporate Governance Code, the Executive Board shall pay attention to the aspect of diversity in filling executive positions and aim for the adequate representation of women. The Executive Board of OVB Holding AG pursues the goal of promoting women and aims at having more women assume executive positions. However, the Executive Board holds the view that the aspect of diversity which includes the consideration of women should not be the sole determinant for filling executive positions. In the interest of the Company, the right choice much rather depends on management and leadership qualities, expert knowledge in response to the respective executive areas and responsibilities and professional experience. In view of these considerations, a deviation from No. 4.1.5 GCGC is declared by way of precaution.

No. 4.2.2 (2) sentence 3 (consideration of the relation of Executive Board remuneration to the remuneration of other senior executives and the staff)

The Code includes the recommendation that the Supervisory Board consider the relation of Executive Board remuneration to the remuneration of other senior executives and the staff as a whole, as well as its development over time; the Supervisory Board is supposed to determine for the purpose of comparison how the group of other senior executives and the relevant staff be defined. In the last declaration of conformity, Executive Board and Supervisory Board had declared a deviation from this recommendation by way of precaution as the specific requirements were unclear in part following the introduction of this recommendation in the year 2013. Since more clarity has been provided for the requirements, making a precautionary statement of deviation is no longer necessary for the future.

No. 5.1.2 (1) sentence 2 GCGC (consideration of diversity for composition of the Executive Board)

According to the recommendations of the Code, the Supervisory Board shall pay attention to the aspect of diversity in filling executive positions and aim for the adequate consideration of women in particular. The Supervisory Board of OVB Holding AG does consider diversity and the adequate representation of women objectives to be pursued for the composition of the Executive Board yet regards the specialist know-how, capabilities and experiences of the candidates

in their respective fields of business and areas of responsibility as the ultimately deciding criteria for their selection in the interest of the Company and its shareholders. In view of these considerations, a deviation from No. 5.1.2 (1) sentence 2 GCGC is declared by way of precaution.

No. 5.4.1 (2) GCGC (adequate representation of women on the Supervisory Board)

In the composition of the Supervisory Board, the aspect of diversity is generally taken into account. In the interest of the Company, however, the Supervisory Board will be governed in its election proposals to the Annual General Meeting primarily by the knowledge, capabilities and expert experience of the candidates to be suggested. For this reason a deviation from No. 5.4.1 (2) GCGC is declared by way of precaution.

No. 5.4.5 (2) GCGC (appropriate support of the Supervisory Board members for their training and further education measures)

Supervisory Board members shall be supported adequately by the Company in taking measures for training and further education required for fulfilling their tasks. OVB Holding AG does support the members of the Supervisory Board in taking necessary measures for training and further education. In the last declaration of conformity, Executive Board and Supervisory had declared a deviation from this recommendation by way of precaution as there were no formal proce-

dures or guidelines with respect to the support of training and further education measures. Since the efforts for supporting Supervisory Board members in taking necessary measures for training and further education have been increased, a precautionary statement of deviation is no longer required for the future.

No. 5.4.6 (1) sentence 2, (2) sentence 2 GCGC (remuneration of the Supervisory Board)

Contrary to the recommendation of the Code, the remuneration of the members of the Supervisory Board does not account for membership or chairmanship of the Supervisory Board's committees. In the opinion shared by the Company's Executive Board and Supervisory Board, the duties performed are adequately compensated by the remuneration provided for. The performance-based remuneration of the members of the Supervisory Board is not particularly oriented toward the Company's sustained development. Supervisory Board remuneration was decided by the General Meeting of shareholders; performance-based remuneration is governed by Section 14 of the Articles of Association of OVB Holding AG and is particularly transparent in the opinion shared by the Company's Executive Board and Supervisory Board. The remuneration model has proved its worth in the past and leads to adequate remuneration of the Supervisory Board, compliant with the law and in line with the interests of the shareholders.

Cologne, 27 March 2015

On behalf of the Executive Board



Michael Rentmeister



Oskar Heitz

On behalf of the Supervisory Board



Michael Johnigk



Mario Freis



Thomas Hücker

Detailed information on this subject is also available on our website. All previously released declarations of conformity are permanently available on the website.

Information on targets for the representation of women on the Supervisory Board, on the Executive Board and in executive positions of OVB Holding AG

In consideration of the fact that all terms of the current appointments of Supervisory Board members of OVB Holding AG extend beyond 30 June 2017, the Supervisory Board of OVB Holding AG decided in September 2015 in accordance with Section 111 (5) AktG (Stock Corporation Act) to determine a target of 0 per cent for the share of women on the Supervisory Board until 30 June 2017.

For the share of women on the Executive Board until 30 June 2017, the Supervisory Board of OVB Holding AG also determined a target of 0 per cent in September 2015 corresponding to the existing share.

In June 2015 the Executive Board of OVB Holding AG determined a target of one woman (equivalent to 9.1 per cent) for the representation of women at senior executive level below the Executive Board, consisting at present of 11 persons, in accordance with Section 76 (4) AktG. OVB Holding AG only has one senior executive level below the Executive Board so that only one target was determined for senior executive positions altogether.

Supervisory Board and Executive Board aim at increasing the representation of women on the Supervisory Board, on the Executive Board and in executive positions below the Executive Board further and giving preference for new openings to women over men at equal professional qualification.

Material corporate governance practices

Compliance as an essential management task of the Executive Board

We consider compliance the legally and ethically faultless conduct of our staff in the day-to-day business because each employee has an impact on the Company's reputation

by his or her professional conduct. Violations of applicable law, relevant codes or in-house rules are not tolerated. Compliance as a measure geared to the adherence to such rules and their observance by the group companies is an essential task in management and supervision implemented at OVB.

The OVB Group transacts its business responsibly and in compliance with the laws and official regulations of the countries in which the Company operates.

Compliance principles were implemented at OVB already in the 2008 financial year and a compliance management system (CMS) based on the pillars "Prevent – recognize – respond" was introduced, subject to a continuous internal updating process and constant review in consideration of changing legal requirements. With the regular advancement of the CMS implemented at OVB, an important contribution is made to the systematic expansion of prevention and control measures towards the fulfilment of the value proposition OVB has made.

The foundation of the rules of compliance provisions in effect throughout the Group is a code of conduct, explaining the basic principles our actions are based on. Corresponding Group guidance contains comprehensive instructions for safeguarding compliance with legal obligations and the corporate guidelines in order to establish consistent standards for all group companies as far as possible. With the help of the compliance management system, the continuous development of OVB's in-house standards of conduct and the implementation of internal and external requirements are managed and controlled. The entire OVB management team has made it their job to bring compliance to life and to be role models in terms of compliance.

The central instrument at OVB Holding AG for safeguarding compliance throughout the Group is the guideline management system. Based on the Group's general guidance and the system of guidelines, binding corporate guidelines for the entire OVB Group are currently being determined.

The essential tasks of OVB's compliance management include the identification of potential compliance risks in a systematic process, promoting the compliance observing conduct of business partners and developing and implementing communication measures on this subject.

In the 2015 financial year, the Group's Chief Compliance Manager (CCM) reported directly to the Chief Executive Officer. From now on he will be reporting directly to the Chief Financial Officer. The compliance officers of the operating subsidiaries are assigned to the CCM for support and concern themselves with all compliance relevant transactions at the level of business operations. The compliance team works closely together with the Executive Board, the management teams and other executives, addresses questions of doubt and assists all employees in adhering to internal provisions.

Based on regular reports given by the Chief Compliance Manager, the Executive Board, the Supervisory Board's Audit Committee and the Supervisory Board in full session are informed about recent developments in this field. The compliance reports also find entry into OVB's risk management reporting. Furthermore, the CCM is available to all employees and third parties in all issues of compliance for discussion and advice. This also holds true for any information relating to criminal acts or breaches of compliance regulations.

Additional information on corporate governance at OVB Holding AG

Implementation of the German Corporate Governance Code

Executive Board and Supervisory Board of OVB Holding AG concerned themselves thoroughly with conformity with the provisions of the German Corporate Governance Code (GCGC) once again in the year under review. Following intensive discussion, as of 27 March 2015 Executive Board and Supervisory Board released a joint declaration of conformity pursuant to Section 161 (1) AktG (Stock Corporation Act), reproduced in its entirety on the Company's website at [www.ovb.eu/english/investor-relations/corporate-](http://www.ovb.eu/english/investor-relations/corporate-governance)

[governance](http://www.ovb.eu/english/investor-relations/corporate-governance), explaining the respective deviations from the recommendations of the Code.

Directors' dealings

In order to guarantee that potential insider information is handled in compliance with the law, OVB Holding AG keeps an insider directory listing all persons whose access to information that might have the quality of insider information is indispensable. In addition to that, directors' dealings are recorded and announcements of reportable transactions of this kind are released without delay on the Internet at www.ovb.eu/english/investor-relations/corporate-governance.

Share ownership

As of the reporting date 31 December 2015, no member of the Executive Board or Supervisory Board directly or indirectly held more than 1 per cent of the shares issued by the Company. Even combined, the members of the Executive Board and the Supervisory Board hold an interest of less than 1 per cent in the Company's share capital. A disclosure of share ownership pursuant to No. 6.3.2 GCGC is therefore not required.

Corporate governance of OVB Holding AG on the Internet www.ovb.eu/english/investor-relations/corporate-governance

- Information on the committees
- Statements on corporate governance
- Declarations of conformity
- The Articles of Association of OVB Holding AG
- Directors' dealings

Remuneration report

The remuneration report is part of the management report.

The remuneration report presents the basic principles that are decisive for the determination of the remuneration of the members of Executive Board and Supervisory Board and explains the structure and amounts of Executive Board remuneration. The report also describes the basic principles and amounts of Supervisory Board remuneration.

The remuneration report is available on the Internet as well at www.ovb.eu/english/investor-relations/corporate-governance.

The report complies with the recommendations of the German Corporate Governance Code (GCGC) and the requirements of the German Commercial Code (HGB), the German Accounting Standards (DRS) as well as the International Financial Reporting Standards (IFRS).

Executive Board remuneration Remuneration system

The system of Executive Board remuneration implemented at OVB aims at giving incentive to the successful management of the Company based on sustainability. The determination of the individual remuneration of the Executive Board members is the sole responsibility of the Supervisory Board, following preparatory work performed by its Nomination and Remuneration Committee.

The appropriateness of the amount of remuneration is routinely reviewed by the Supervisory Board. The following criteria are considered for such reviews: the Company's economic situation, its success and prospects, the individual Board member's responsibilities and functions as well as personal performance, and a horizontal and vertical comparison with respect to customary compensation, taking also into account the relation of Executive Board remuneration compared to the remuneration of next-level senior executives and the staff as a whole.

The remuneration of the Executive Board members is composed of non-performance-based and performance-based components.

Fixed compensation and fringe benefits

The non-performance-based components consist of a fixed annual basic remuneration, paid as a monthly salary. The members of the Executive Board are also granted fringe benefits as remuneration in kind; these are essentially insurance premiums and the usage of company cars. As part of the remuneration, these fringe benefits are generally granted to all members of the Executive Board equally; the amounts of the benefits depend on individual agreements.

Performance-based components

The part based on performance consists of an aggregate bonus of which half is based on annual targets (annual bonus) and the other half is based on long-term bonus criteria (variable performance component for sustained success).

One-year variable compensation

This compensation amount (annual bonus) depends on the extent to which certain quantitative targets (such as the performance of sales and earnings) and qualitative targets (such as the successful realisation of significant projects in terms of corporate strategy) have been achieved. The target figures are determined and evaluated each year in advance on the basis of the budget prepared by the Executive Board and adopted by the Supervisory Board. Quantitative targets (70 per cent Company specific targets and 10 per cent individual targets) are rated at 80 per cent and qualitative targets at 20 per cent. The bandwidth of the target definition (target corridor) for the annual bonus ranges from 75 per cent to 125 per cent relating to quantitative targets and to 150 per cent relating to qualitative targets. The annual bonus is paid each following year after the Supervisory Board has determined the target achievement levels on the basis of the adopted separate financial statements. If the targets are partly met, the bonus is determined on a pro-rata basis.

Multi-year variable compensation

The volume of the multi-year variable remuneration component is entered in a bonus account with a penalty rule and carried forward to the next year. Criteria of the variable performance component with sustained incentive effect are the Group's performances of EBIT and sales. The assessment basis of the variable remuneration component for the year 2015 derives from the moving average of the actuals achieved over the past two years (2013/2014) and the achievement of the target in the year 2015. If the target level of 60 per cent is not reached, the accumulated bonus account balance is reduced (penalty rule). The balance in the bonus account remaining after allocation to the account

or offsetting against the penalty is respectively paid at one third of the balance in the following year.

Payment commitments to Executive Board members upon premature termination of Executive Board contracts in case of a change of control (so-called change-of-control clauses) are not included in the contracts of employment. The contracts provide for a severance pay cap in case of premature termination of the Executive Board contract without good cause, compliant with the recommendation under No. 4.2.3 of the German Corporate Governance Code.

For the determination of the amount of severance pay, the total remuneration for the past financial year and, if applicable, the probable total remuneration for the current financial year would be taken into account.

There are no pension or benefit commitments or payments of retirement annuities in favour of acting Executive Board members in the reporting period by OVB Holding AG. In the event of death, the remuneration continues to be paid to the surviving dependents for a period of six months. Pension obligations of OVB Holding AG to a former member

of management were settled in the year under review by a single payment to the beneficiary.

Remuneration of the Executive Board members for financial year 2015

The Executive Board was granted total remuneration for the 2015 financial year in the amount of Euro 2.3 million (previous year: Euro 1.9 million). Total remuneration covers all remuneration received for services to the parent and to subsidiary companies.

The following tables of the remuneration paid and the allocations for the 2015 financial year consider the recommendations of the German Corporate Governance Code in addition to the applicable accounting principles by using the model tables recommended by the Code. Under granted benefits those amounts are also disclosed that can be achieved at the minimum or rather at the maximum.

To the members of the Executive Board the remuneration as presented below was granted for the 2015 financial year (individualised disclosures):

Benefits granted for 2015	Mario Freis, CSO				Oskar Heitz, CFO			
	2014*	2015*	2015 (min)* ¹	2015 (max)* ²	2014*	2015*	2015 (min)* ¹	2015 (max)* ²
in EUR'000								
Fixed compensation	225	280	280	280	260	260	260	260
Fringe benefits	57	103	103	103	93	93	93	93
Total	282	383	383	383	353	353	353	353
One-year variable compensation (annual bonus)	60	93	0	121	63	70	0	91
Multi-year variable compensation	34	55	5	86	35	48	11	72
Bonus account (2013 – 2015)	-	55	5	86	-	48	11	72
Bonus account (2013 – 2014)	34	-	-	-	35	-	-	-
Total variable components	94	148	5	207	98	118	11	163
Service cost	0	0	0	0	0	0	0	0
Total remuneration	376	531	388	590	451	471	364	516

* Actuals represent the amount upon 100 per cent target achievement. Multi-year variable compensation also refers to 100 per cent target achievement. The amount of multi-year variable compensation stated for 2015 corresponds to the amount paid of one third of the bonus account balance as of 31/12 of the year under review (at 100 per cent target achievement).

¹ The minimum stated for multi-year variable compensation derives from the actuals 2013/2014 less deduction (penalty rule) for the year 2015 and corresponds to the minimum amount paid for 2015 of one third of the bonus account balance as of 31/12 of the year under review (at 0 per cent target achievement).

² The maximum stated for multi-year variable compensation derives from the actuals 2013/2014 plus allocation to the bonus account upon target achievement of 200 per cent and corresponds to the maximum amount paid for 2015 of one third of the bonus account balance as of 31/12 of the year under review.

Benefits granted for 2015 in EUR'000	Thomas Hücker, COO (since 06/2014)				Michael Rentmeister, CEO			
	2014*	2015*	2015 (min)* ¹	2015 (max)* ²	2014*	2015*	2015 (min)* ¹	2015 (max)* ²
Fixed compensation	103	180	180	180	350	375	375	375
Fringe benefits	22	41	41	41	192	189	189	189
Total	125	221	221	221	542	564	564	564
One-year variable compensation (annual bonus)	30	60	0	78	175	188	0	244
Multi-year variable compensation	10	28	0	48	99	133	33	195
Bonus account (2013 – 2015)	-	28	0	48	-	133	33	195
Bonus account (2013 – 2014)	10	-	-	-	99	-	-	-
Total variable components	40	88	0	126	274	321	33	439
Service cost	0	0	0	0	0	0	0	0
Total remuneration	165	309	221	347	816	885	597	1,003

* Actuals represent the amount upon 100 per cent target achievement. Multi-year variable compensation also refers to 100 per cent target achievement. The amount of multi-year variable compensation stated for 2015 corresponds to the amount paid of one third of the bonus account balance as of 31/12 of the year under review (at 100 per cent target achievement).

¹ The minimum stated for multi-year variable compensation derives from the actuals 2013/2014 less deduction (penalty rule) for the year 2015 and corresponds to the minimum amount paid for 2015 of one third of the bonus account balance as of 31/12 of the year under review (at 0 per cent target achievement).

² The maximum stated for multi-year variable compensation derives from the actuals 2013/2014 plus allocation to the bonus account upon target achievement of 200 per cent and corresponds to the maximum amount paid for 2015 of one third of the bonus account balance as of 31/12 of the year under review.

Allocations for the year under review

The following table shows the allocations for the year under review 2015 consisting of fixed compensation, fringe benefits, one-year variable compensation and multi-year variable compensation. Deviating from the table of benefits granted for financial year 2015 above, the follow-

ing table presents allocations for the 2015 financial year with respect to the variable compensation components (annual bonus and bonus account) in relation to the respective target achievement rate for the year under review 2015 already determined as of the time of preparation of the financial statements.

Allocations for the year under review 2015 in EUR'000	Mario Freis, CSO		Oskar Heitz, CFO		Thomas Hücker, COO (since 06/2014)		Michael Rentmeister, CEO	
	2014	2015	2014	2015	2014	2015	2014	2015
Fixed compensation	225	280	260	260	103	180	350	375
Fringe benefits	57	103	93	93	22	41	192	189
Total	282	383	353	353	125	221	542	564
One-year variable compensation (annual bonus)	68	107	68	83	33	69	199	216
Multi-year variable compensation	36	61	38	52	11	32	106	144
Bonus account (2013 – 2015)	-	61	-	52	-	32	-	144
Bonus account (2013 – 2014)	36	-	38	-	11	-	106	-
Total variable compensation	104	168	106	135	44	101	305	359
Service cost	0	0	0	0	0	0	0	0
Total remuneration	386	551	459	489	169	323	847	924

The D&O liability insurance policy taken out for the members of the Executive Board includes the statutory deductible.

Remuneration of the Supervisory Board

The Supervisory Board's remuneration is governed by Section 14 of the Articles of Association of OVB Holding AG and is composed as follows:

■ fixed annual compensation

The fixed annual compensation is Euro 5,000 per Supervisory Board member. The Chairman of the Supervisory Board receives 2 times and the Deputy Chairman receives 1.5 times that amount.

■ variable component

The variable component consists of a payment of 0.8 per mil of the consolidated net income for the year as reported in the adopted consolidated financial statements of OVB Holding AG furnished with the auditor's unqualified audit opinion.

Supervisory Board members are also reimbursed for out-of-pocket expenses incurred in connection with their work. No additional remuneration is paid for committee memberships. Based on the consolidated net income reported for the year of Euro 9.6 million, total remuneration (including reimbursements) paid to Supervisory Board members in the past financial year comes to roughly EUR 83.6 thousand. Based on a consolidated net income of OVB Holding AG reported in the amount of Euro 8.7 million, the previous year's Supervisory Board remuneration (including reimbursements) had come to roughly EUR 79.5 thousand. In accordance with the guidelines, the following fixed and variable compensation components were paid to the individual members of the Supervisory Board on a pro-rata-temporis basis:

in EUR'000	Fixed compensation		Variable compensation		Total	
	2014	2015	2014	2015	2014	2015
Supervisory Board						
Michael Johnigk, Chairman	10.0	10.0	7.0	7.7	17.0	17.7
Dr. Thomas A. Lange, Deputy Chairman		7.5	7.0	7.7	14.5	15.2
Markus Jost	5.0	5.0	7.0	7.7	12.0	12.7
Wilfried Kempchen	5.0	5.0	7.0	7.7	12.0	12.7
Winfried Spies	5.0	5.0	7.0	7.7	12.0	12.7
Dr. Alexander Tourneau (since 3 June 2015)	0	2.9	0	4.4	0	7.3
Jan De Meulder (until 3 June 2015)	5.0	2.1	7.0	3.2	12.0	5.3
Total	37.5	37.5	42.0	46.1	79.5	83.6

No loans have been extended to members of the Executive Board or the Supervisory Board.